## ALCALDE & FAY

### GOVERNMENT & PUBLIC AFFAIRS CONSULTANTS

# March 18, 2010

### VIA ELECTRONIC FILING

Ms. Marlene H. Dortch, Secretary Federal Communications Commission 445 – 12th Street, SW Washington, D.C. 20554

Re:

Application of Atlantic Tele-Network, Inc. and Verizon Wireless For Consent to Assign or Transfer Control of Licenses and Authorizations

WT Docket No. 09-119

### Written Ex Parte Communication

Dear Ms. Dortch:

This correspondence is in response to the March 9, 2010 written *ex parte* communication in the above-referenced proceeding, filed by Jonathan V. Cohen, Counsel for Atlantic Tele-Network, Inc. ("ATN"). The purpose of this filing is to clarify statements contained in materials I submitted by *ex parte* notice to the FCC on March 4, 2010<sup>2</sup> as well as address issues raised in Mr. Cohen's correspondence.

First, on the matter of ATN being a "foreign based company," Mr. Cohen is using semantics and taking the phrase out of context. The reference to "foreign based company" in the attachment to the Letter does not allege that ATN is foreign owned, but that their retail-focused mobile network business operations, which are the business assets relevant to this proceeding, are foreign based. ATN's retail mobile operations are primarily in foreign markets in Bermuda and Guyana. In fact, the company has no experience in retail-focused mobile networks in the American telecommunications industry. I would also add that the Federal Communications Commission has received filings illustrating the inability of ATN to effectively compete in retail mobile operations in foreign markets that are smaller and less cumbersome to manage than the domestic markets that ATN seeks to acquire through the Verizon/Alltel divestiture process.

<sup>&</sup>lt;sup>1</sup> See Written Ex Parte Communication from Jonathan V. Cohen, Counsel for Atlantic Tele-Network, Inc., to Marlene H. Dortch, Secretary, Federal Communications Commission, WT Docket No. 09-119 (filed Mar. 9, 2010) ("Mr. Cohen's Letter").

<sup>&</sup>lt;sup>2</sup> See Letter and accompanying attachment from Vicki Iseman, Partner, Alcalde & Fay, to Marlene H. Dortch, Secretary, Federal Communications Commission, WT Docket Nos. 09-104 and 09-119 (filed Mar. 4, 2010) ("Letter").

<sup>&</sup>lt;sup>3</sup> Attachment to Letter at 2.

<sup>4</sup> *Id* 

<sup>&</sup>lt;sup>5</sup> See Petition to Deny of Bulloch Cellular, Inc., Pineland Cellular, Inc., Planters Rural Cellular, Inc. and Plant Cellular RSA 8, Inc., WT Docket No. 09-119, (filed Aug. 10, 2009).

<sup>6</sup> Id.

Second, Mr. Cohen disputes the fact that the ATN acquisition of Verizon divestiture properties was subject to bank approval. However, in a press release issued by ATN on June 9, 2009 (see attachment), the day the company announced its "definitive agreement to acquire certain wireless assets from Verizon Wireless," ATN states it would access approximately "\$50 million of borrowing capacity, *subject to lender consent*, under its term credit facility [italics added]." This statement, issued directly by ATN, explicitly contradicts Mr. Cohen's assertions.

Lastly, on the timeline of the bidding process, the attachment to the Letter has subsequently been amended to clarify that Morgan Stanley, the investment firm Verizon Wireless selected to conduct the search for buyers for the sale of the divestiture assets, held an interest in ATN throughout the bidding consideration process that they oversaw and more than doubled that interest during the period ending March 31, 2009. According to public records, Morgan Stanley's ownership stake in ATN (a total of more than 36,000 shares) included more than 20,000 shares that were purchased during the period Morgan Stanley was tasked with providing an unbiased assessment of and recommendations for the winning bidders of the Verizon divestiture assets. ATN was announced as the winning bidder for the Verizon Wireless divestiture properties on June 9, 2009. On June 10, 2009, ATN's stock value increased by 41.1% for all shareholders, including Morgan Stanley.

In accordance with the Commission's rules, this notice is being filed with the Commission's Electronic Comment Filing System.

Sincerely,

Vicki Iseman, Partner

Alcalde & Fay

cc:

David Goldman Gilberto De Jesus Angela Kronenberg Mark Lloyd Thomas Reed Carolyn Fleming Williams

<sup>&</sup>lt;sup>7</sup> ATN Press release (released June 9, 2009): http://ir.atni.com/releasedetail.cfm?ReleaseID=402564

<sup>&</sup>lt;sup>8</sup> See http://www.mffais.com/mffaishistory-125489-atni (last checked March 17, 2010).

<sup>&</sup>lt;sup>9</sup> See http://blogs.barrons.com/techtraderdaily/2009/06/10/atlantic-tele-network-soars-on-verizon-wireless-deal/ (last checked March 17, 2010).